

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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TRACEY GIARDINI, CRAIG GIARDINI,
and CRAIGS CAR CARE CENTER,

Plaintiffs.

Adv. Proc. No. 15-08013-ast

v.

THE BANKRUPTCY ESTATE OF
CENTEREACH DEV. CORP.,
GULF OIL LIMITED PARTNERSHIP,
and CUMBERLAND FARMS, INC.,

ANSWER WITH COUNTERCLAIMS

Defendants.

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In re

Chapter 7

A & B MART & SERVICE, INC.
BOHEMIA DEVELOPMENT CORP.
CENTEREACH DEVELOPMENT CORP.
CORAM ASSOCIATES CORP.
HAUPPAUGE DEVELOPMENT CORP.
NORTHPORT ENTERPRISES INC.
VALLEY STREAM ENTERPRISES INC.

Case No. : 15-70118-ast
Case No. : 15-70119-ast
Case No. : 15-70120-ast
Case No. : 15-70121-ast
Case No.: 15-70122-ast
Case No. : 15-70123-ast
Case No. : 15-70124-ast

Debtors.

(Jointly Administered)

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Robert L. Pryor, Esq., the Chapter 7 Trustee (the "Trustee"), by and through his attorneys, Pryor & Mandelup, LLP as and for his answer to the Complaint of Plaintiffs Craig Giardini and Tracey Giardini d/b/a Craigs Car Care Center ("Plaintiffs"), respectfully represents as follows:

1. Admits the allegations contained in Paragraph "1" of the Complaint.
2. Admits the allegations contained in Paragraph "2" of the Complaint.
3. Admits the allegations contained in Paragraph "3" of the Complaint.

4. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "4" of the Complaint.

5. Neither admits nor denies the allegations contained in Paragraph "5" of the Complaint but refers the trier of fact to the document referenced therein for the terms thereof.

6. Neither admits nor denies the allegations contained in Paragraph "6" of the Complaint but refers the trier of fact to the document referenced therein for the terms thereof

7. Neither admits nor denies the allegations contained in Paragraph "7" of the Complaint but refers the trier of fact to the document referenced therein for the terms thereof.

8. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "8" of the Complaint.

9. Denies the allegations contained in Paragraph "9" of the Complaint insofar as the Plaintiffs are not current on their rent obligations and denies knowledge or information sufficient to form a belief as to the remaining allegations at Paragraph "9" of the Complaint.

10. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "10" of the Complaint.

11. Denies the allegations contained in Paragraph "11" of the Complaint.

12. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "12" of the Complaint.

13. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "13" of the Complaint.

14. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "14" of the Complaint.

15. Neither admits nor denies the allegations contained in Paragraph "15" of the Complaint but refers the trier of fact to the document referenced therein for the terms thereof.

16. Paragraph "16" of the Complaint calls for a legal conclusion for which no response is required.

17. Denies the allegations contained in Paragraph "17" of the Complaint.

18. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "18" of the Complaint.

19. Admits the allegations contained in Paragraph "19" of the Complaint.

20. Denies knowledge or information sufficient to form a belief as to the allegations contained in Paragraph "20" of the Complaint.

AS AND FOR A FIRST AFFIRMATIVE DEFENSE

21. The Complaint fails to state a cause of action upon which relief can be granted.

AS AND FOR A SECOND AFFIRMATIVE DEFENSE

22. In accordance with various orders of the Bankruptcy Court, the Trustee was permitted to sell substantially all of the assets of the Debtors, including various franchise and lease agreements.

23. On June 16, 2015 the Trustee sold the assets of Centereach Development Corp. and therefore the Trustee no longer has an interest in the Plaintiff's sublease.

24. The Trustee is not a proper party to this action.

AS AND FOR A THIRD AFFIRMATIVE DEFENSE

25. By virtue of the sale of the assets of Centereach Development Corp., the Complaint against the Trustee is now moot.

**AS AND FOR A FOURTH AFFIRMATIVE DEFENSE
AND FIRST COUNTERCLAIM**

26. Defendant repeats and realleges each of the foregoing allegations as if set forth at length herein.

27. On or about February 18, 2015 the Bankruptcy Court entered an order granting a temporary restraining order (the "Temporary Restraining Order") [Docket No. 13] which required inter alia, Plaintiffs to make all payments due and owing under the sublease to the Trustee, however, the Plaintiffs were permitted to deduct any amounts they actually paid for electric, water, and garbage disposal services and provide the Trustee with copies of all paid invoices.

28. Plaintiffs have failed to remain current by failing to make all of the required payments and by failing to provide the Trustee with all of the required documentation to determine what offsets, if any, the Plaintiffs may have to the rent due under the sublease.

29. As a result, the Trustee is entitled to judgment against the Plaintiffs in an amount to be determined by this Court.

**AS AND FOR A FIFTH AFFIRMATIVE DEFENSE
AND SECOND COUNTERCLAIM**

30. Defendant repeats and realleges each of the foregoing allegations as if set forth at length herein.

31. The Plaintiffs failed to comply with the Temporary Restraining Order by, inter alia failing to pay the rent to the Trustee when due and to provide the Trustee with documentation regarding any offsets to which the Plaintiffs may be entitled.

32. The Temporary Restraining Order constitutes a lawful order of the Court.

33. Plaintiffs' willful failure to comply with the Temporary Restraining Order constitutes contempt of this Court.

34. Plaintiffs should be compelled to comply with the Terms of the Restraining Order.

35. The Trustee is entitled to a judgment compelling the Plaintiffs to comply with the Temporary Restraining Order by providing the Trustee with the required documentation and the payment of rent, including all costs and legal fees incurred as a result of Plaintiffs' failure to comply with the Temporary Restraining Order.

WHEREFORE, Defendant Trustee demands judgment:

- (i) dismissing Plaintiffs's Complaint in its entirety;
- (ii) on the First Counterclaim in an amount to be determined by the Court;
- (iii) on the Second Counterclaim in an amount to be determined by the Court including all costs and legal fees incurred by the Bankruptcy Estate; and
- (iv) for such other and further relief as the Court deems just and proper.

Dated: Westbury, New York
June 24, 2015

PRYOR & MANDELUP, LLP
Attorneys for Robert L. Pryor, Esq., Chapter 7 Trustee

By: /s/ Anthony F. Giuliano
Anthony F. Giuliano
675 Old Country Road
Westbury, New York 11590
516-997-0999
afg@pryormandelup.com